



State Senator

**Neal J. Kedzie**

11th Senate District

**Senate Bill 89 Testimony**

**Senator Neal Kedzie**

**Senate Committee on Public Health, Human Services, and Revenue**

**PUBLIC HEARING - WEDNESDAY, MAY 25, 2011**

Thank you Madam Chair and Committee members, thank you for your consideration of Senate Bill 89, relating to withholding requirements for employees of county fair associations.

Representative Keith Ripp and I are introducing this legislation at the request of the Wisconsin Association of Fairs, with strong support from the Walworth County Fair and other county fair associations around the state.

Under current state law, employees of county fair associations who receive less than \$100 in wages or salary from a fair association are exempt from income tax withholding requirements.

The \$100 withholding exemption was established in 1964, and has not been updated in 47 years.

According to the Department of Revenue, adjusting the \$100 exemption for inflation for the time period of 1964 through 2009 would result in the exemption being increased to about \$500. Therefore, we are introducing legislation to raise the exemption to \$500 for employees of county fair associations.

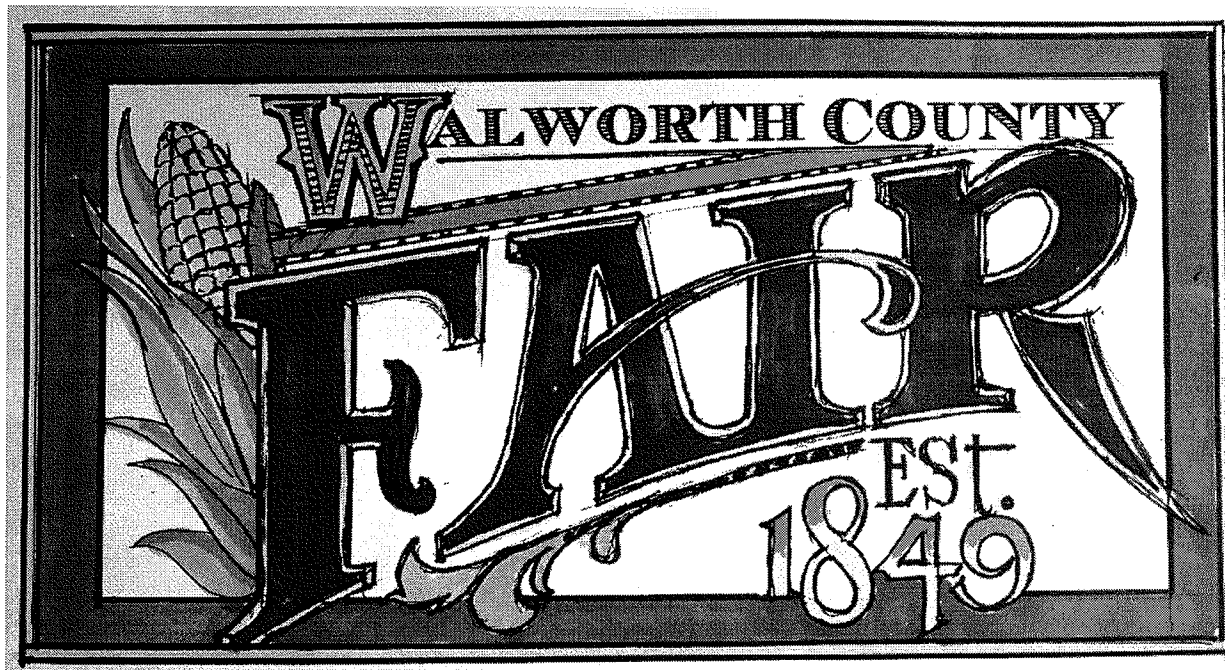
Senate Bill 89 will alleviate the burden from forcing county fair associations to fill out all of the accompanying paperwork for employees who are employed for only a short period of time and earn a very small amount of money, a burden that can be particularly challenging when it falls on volunteers or seasonal staff.

Modernizing the law will benefit county fair associations by relieving them of the administrative burden for short-term seasonal employees with very minimal earnings.

This legislation would not alter the income tax liability of county fair association employees. According to the Department of Revenue, "This bill will have a minimal impact on individual income tax revenue." The DOR concludes its fiscal estimate by stating "this is not expected to have a significant effect."

Given the substantial benefits this legislation would have for our county fairs, and the lack of any significant downside, we respectfully ask the members of the Committee to support Senate Bill 89.

Again, thank you for your consideration of this bill.



May 24<sup>th</sup>, 2011

Senator Neal Kedzie

Wisconsin State Senate -11<sup>th</sup> District

Room 313 South-State Capitol

P.O. Box 7882 Madison WI 53707

I am writing to register my support of Assembly bill LRB-1396/1 and Senate bill LRB 1825/1 relating to: the amount of the exemption from income tax withholding requirements for employees of a county fair association.

The current state law exempts employees of county fair associations who receive less than \$100 in wages or salary from the fair association from income tax withholding. The \$100 exemption was established in 1964, and has not been raised in 47 years.

This legislation would benefit county fair associations throughout Wisconsin by relieving the administrative burden of withholding taxes on short-term seasonal employees who are at minimal earnings. The fair personnel who must fill out the paperwork for this process are volunteers and seasonal workers. This legislation would not alter the income tax liability of county fair association employees.

In my capacities as President of the Wisconsin Association of Fairs, and as President of the Walworth County Fair, I have traveled throughout the State of Wisconsin and have witnessed firsthand the secret of the success of county fairs. It is the countless volunteers who give of their time and talents. This bill would relieve them of many hours of paperwork that they spend doing this task. I personally have been involved in fairs my entire life and served on boards at the county fair and state fair level for 28 years.

Thank you for introducing this bill into the Wisconsin legislature. If it passes, it will relieve the administrative burden of withholding taxes for short-term seasonal employees with minimal earnings, and the accompanying paperwork which falls heavily on volunteers and seasonal staff. Please convey my wholehearted support for its passage to the relevant legislative committees and leaders of each chamber.

Sincerely,

Edward Sokolowski

President Wisconsin Association of Fairs

President Walworth County Fair Elkhorn, WI

411 East Court St P.O. Box 286

Elkhorn, WI 53121

262 723 3228